UNITED STATES PATENT AND TRADEMARK OFFICE

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
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EXAMINER
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ART UNIT	PAPER NUMBER
3624	

DATE MAILED: 06/25/2004

Please find below and/or attached an Office communication concerning this application or proceeding.

PTO-90C (Rev. 10/03)

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE <u>3</u> MONTH(S) FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If the period for reply specified above is less than thirty (30) days, a reply within the statutory minimum of thirty (30) days will be considered timely.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1)☒ Responsive to communication(s) filed on <u>05 January 2001</u>.

2a)☐ This action is **FINAL**.   2b)☒ This action is non-final.

3)☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4)☒ Claim(s) *1-22* is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5)☐ Claim(s) _____ is/are allowed.

6)☒ Claim(s) *1-22* is/are rejected.

7)☐ Claim(s) _____ is/are objected to.

8)☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9)☐ The specification is objected to by the Examiner.

10)☐ The drawing(s) filed on _____ is/are: a)☐ accepted or b)☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11)☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12)☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a)☐ All b)☐ Some * c)☐ None of:

      1.☐ Certified copies of the priority documents have been received.

      2.☐ Certified copies of the priority documents have been received in Application No. _____.

      3.☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

Attachment(s)

1)☒ Notice of References Cited (PTO-892)

2)☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3)☒ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08) Paper No(s)/Mail Date _____.

4)☐ Interview Summary (PTO-413) Paper No(s)/Mail Date. _____ .

5)☐ Notice of Informal Patent Application (PTO-152)

6)☐ Other: _____.

DETAILED ACTION

Claim Rejections - 35 USC § 103

1.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set
> forth in section 102 of this title, if the differences between the subject matter sought to be patented and
> the prior art are such that the subject matter as a whole would have been obvious at the time the
> invention was made to a person having ordinary skill in the art to which said subject matter pertains.
> Patentability shall not be negatived by the manner in which the invention was made.

2.   Claims 1-22 are rejected under 35 U.S.C. 103(a) as being unpatentable over

May (US 6,317,727).

Claims:

1.   A method for monitoring credit of a counterparty having a parent entity,

comprising:

receiving trade information relating to trades entered into by the counterparty;/abstract

accumulating positions for the counterparty indicated by the trade information with

previously accumulated positions;/col 1, L 65 to col 2, L 5

accumulating positions for the parent entity indicated by the trade information with

previously accumulated positions;/ col 46, L 14-29

comparing at least one of accumulated counterparty positions and accumulated parent

entity positions with at least one trading limit; and/ col 2, L 27-29(cap); col 46, L14-29;

col 47, L 39-50

shutting off trading for the counterparty when at least one of the accumulated

counterparty positions and the accumulated parent entity positions exceeds the at least

one trading limit./ col 2, L 27-39 (cap)

2.   The method of claim I, further comprising:

receiving trade information relating to at least one of cleared trades and failed

trades;/abstract;col 3, L 32-53

        adjusting accumulated counterparty positions based upon the trade information

relating to the at least one of the cleared trades and the failed trades; and/ col 2, L 27-

39

adjusting accumulated parent entity positions based upon the trade information relating

to the at least one of the cleared trades and the failed trades./col 3, L 32-53; col 46, L

14-29;

3.   The method of claim 1, further comprising accumulating counter party positions

based upon long-bond-equivalents./col 17, L 17-47; col 18, L3-13; col 19, L 59 to col 20,

L 18; col 23, L 1-26; col 41 L 11-28 (Treasuries as benchmark to establish long bond

equivalents); col 43, L 15-42; col 45, L 39-45

4.   The method of claim 1, further comprising accumulating parent entity positions

based upon long-bond-equivalents./col 46, L 14-43

5.   The method of claim 1, further comprising updating an operator interface that

shows the accumulated counterparty positions./col 46, L 43-60

6.   The method of claim 1, further comprising updating an operator interface that

shows the accumulated parent entity positions./col 46, L 30-60

7.   The method of claim 1, wherein the comparing of at least one of accumulated

counterparty positions and accumulated parent entity positions with at least one trading

limit comprising:

determining whether the at least one trading limit includes a limit for the accumulated

counterparty positions; and/col 1, L 51 to col 2, L 19

May teaches the accumulated counterparty positions to the limit for the accumulated

counterparty positions when the limit

exists./ col 46, L 30-60.   The reference fails to explicitly teach the feature of

comparison of

accumulated counterparty positions. Official notice is taken that this feature is old and

well known in the e-commerce art and /

or retail art as in matching orders by comparing the orders. It would have been obvious

to one of ordinary skill in the art at the

time of applicant's invention to implement this feature for the advantage of matching

counterparty positions for trade execution

under credit guidelines as in col 1, L 51-col 2, L 19 (matching is a result of comparing);

col 39, L16-24(matching); col 41,L43-52

(matching)

8.   The method of claim 1, wherein the comparing of at least one of accumulated

counterparty positions and accumulated parent entity positions with at least one trading

limit comprising:

determining whether the at least one trading limit includes a limit for the accumulated

parent entity positions; and/ col 1, L 51 to col 2,L 19; col 46, L 43-60

comparing the accumulated parent entity positions to the limit for the accumulated

parent entity positions when the limit exists./ col 1, L 51 to col 2, L 19; col 46, L 30-60

9.   The method of claim 1, further comprising sending a message to indicate when

trading for the counterparty has been shut off./ col 51, L 6-15(delete as shut off)

10.   The method of claim 1, further comprising:

May discloses at least one of accumulated counterparty positions and accumulated

parent entity positions and sending a

message to indicate when at least one of the accumulated counterparty positions and

the accumulated parent entity positions /

col 46, L 30-60

The reference fails to explicitly teach the features of comparison and warning level.

Official notice is taken that these features of

comparison and warning levels are old and well known in the finance art.   It would have

been obvious to one of ordinary skill in

the art at the time of applicant's invention to implement these features of comparison

and warning levels for the advantage of

minimizing losses and optimal trade execution.

11.   The method of claim 1, further comprising providing an operator interface that

prompts an

operator to specify the at least one trading limit./ fig 3(84,81,76)

12.   A system for monitoring credit of a counterparty having a parent entity,

comprising: a trading

system the provides trade information relating to trades entered into by the

counterparty and

a credit processor that:

receives the trade information relating to the trades entered into by the counterparty,

accumulates positions for the counterparty indicated by the trade information with

previously accumulated positions,

accumulates positions for the parent entity indicated by the trade information with

previously accumulated positions,

compares at least one of accumulated counterparty positions and accumulated parent

entity positions with at least one trading limit; and

        shuts off trading for the counterparty when at least one of the accumulated

counterparty positions and the accumulated parent entity positions exceeds the at least

one trading limit./ refer all the above to claim 1

13.   The system of claim 12, further comprising a clearing system that provides trade

information relating to at least one of cleared trades and failed trades, wherein the credit

processor also

 receives trade information relating to at least one of cleared trades and failed trades,

adjusts accumulated counterparty positions based upon the trade information relating to

the at least one of the cleared trades and the failed trades, and adjusts accumulated

parent

entity positions based upon the trade information relating to the at least one of the cleared trades and the failed trades./ refer to cl 2 for all the above

14.   The system of claim 12, wherein the credit processor also accumulates counter party positions based upon long-bond-equivalents./ refer to cl 3

15.   The system of claim 12, wherein the credit processor also accumulates parent entity positions based upon long-bond-equivalents./refer to cl 4

16.   The system of claim 12, wherein the credit processor also updates an operator interface that shows the accumulated counterparty positions./ refer to cl 5

17.   The system of claim 12, wherein the credit processor also updates an operator interface that shows the accumulated parent entity positions./ refer to cl 7

18.   The system of claim 12, wherein the credit processor in comparing of at least one of accumulated counterparty positions and accumulated parent entity positions with at least one trading limit:

determines whether the at least one trading limit includes a limit for the accumulated counterparty positions; and

compares the accumulated counterparty

positions to the limit for the accumulated counterparty positions when the limit exists./ refer to cl 7

19.   The system of claim 12, wherein the credit processor in comparing of at least one of accumulated counterparty positions and accumulated parent entity positions with at least one trading limit:

determines whether the at least one trading limit includes a limit for the accumulated

parent entity positions; and

compares the accumulated parent entity positions to the limit for the accumulated

parent entity positions when the limit exists./ refer to cl 8

20.   The system of claim 12, wherein the credit processor also sends a message to

indicate when trading for the counterparty has been shut off./ refer to cl 9

21.   The system of claim 12, wherein the credit processor also:

compares at least one of accumulated counterparty positions and accumulated parent

entity positions with at least one trading warning level; and sends a message to

indicate when at least one of the accumulated counterparty positions and the

accumulated parent entity positions exceeds the at least one trading warning level./

refer to cl 10

22.   The system of claim 12, wherein the credit processor also provides an operator

interface that prompts an operator to specify the at least one trading limit./ refer to cl 11

This action is NON-FINAL. Any inquiry concerning this communication or earlier

communications from the examiner should be directed to Steven Wasylchak whose

telephone number is (703) 308-2848. The examiner can normally be reached on

Monday-Thursday from 8:00 to 6:00 p.m. EST.

If attempts to reach examiner by telephone are unsuccessful, the examiner's

supervisor, Vincent Millin, can be reached at (703) 308-1065. The fax number for At

Unit 3624 is (703) 305-7687.

Any inquiry of a general nature or relating to the status of this application or

proceeding should be directed to the receptionist whose telephone number is (703) 308-

1113.

Steven Wasylchak

5/15/04

HANI M. KAZIMI
PRIMARY EXAMINER